

REPORT NO.

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**DESTROY AFTER USE**

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1. Funds set aside under the five-year plan for financing research and development projects for the Hauptverwaltung für Ausbildung, the Hauptverwaltung der Volkspolizei and the Hauptverwaltung Seepolizei have now been transferred to the Büro für Wirtschaftsfragen. In those instances in which a government department does not possess the funds to enable it to comply with a requirement of the Büro für Wirtschaftsfragen, the latter can authorize the necessary expenditure to be charged against its own funds. No actual account has as yet been established for the Büro's use, nor has the scheme been put into operation.
2. (Willi Stoph), the Büro's head, works only half the time at the Büro für Wirtschaftsfragen. The remainder of his time is spent at the Central Committee of the SED. Stoph's secretary in the Büro has been ordered to contact him at the Central Committee only in case of exceptional urgency. Stoph's frequent absence from the BfW has made it difficult to obtain decisions in connection with the agency's work.
3. Security measures in the Büro are exceptionally stringent. Willi Stoph told a meeting of the Abteilungsleiter that in no circumstances must they tell any of their subordinates more than was absolutely essential for them to know. One Abteilung could deal with another Abteilung only through the chiefs of the Hauptabteilung concerned. Similarly, ministries and industries would be given only the barest details necessary concerning the Büro's requirements. Requirements would be presented whenever possible in a manner calculated to mask the fact that the material was required for police or military purposes. As a case in point, Willi Stoph had an estimate of costs for three-axle cross-country trucks required by the Hauptverwaltung für Ausbildung withdrawn and retyped, because it contained the word cross-country ("Geldändegängig"). A Hauptabteilungsleiter of the Büro stated that he fully anticipated that industries, unless they were given more of an idea of the exact product required, might produce something at great expense which would be of no use whatsoever. He added, however, that this would be regarded as money well spent as long as security was preserved. As a result of this attitude toward security, the majority of the employees of the Büro find themselves unoccupied for a great part of the working day.

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